

## Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 05510 01 OF 02 010539Z

ACTION NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 COME-00 EB-08 FRB-03 TRSE-00

XMB-02 OPIC-03 LAB-04 SIL-01 OMB-01 SSM-03 IGA-02

IO-13 /101 W

-----010546Z 122390 /22

R 311436Z MAR 77

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 3450

LIMITED OFFICIAL USE SECTION 01 OF 02 CAIRO 5510

E.O. 11652: N/A

TAGS: PFOR, EG

SUBJECT: PARLIAMENT "OPPOSITION" LEADER ON SADAT VISIT TO U.S.

INTERNAL POLITICAL SITUATION

1. MUSTAFA KAMEL MURAD, SELF-PROCLAIMED LEADER OF PARLIAMENTARY OPPOSITION TO SALEM GOVERNMENT AND HEAD OF SO-CALLED EGYPTIAN "RIGHT" MET WITH AMBASSADOR MARCH 30 TO DISCUSS PRESIDENT SADAT'S VISIT TO U.S. AND INTERNAL POLITICAL SITUATION. MURAD, A CONSISTENT PROPONENT OF PRIVATE SECTOR DEVELOPMENT IN EGYPT, HAD JUST RETURNED FROM VISIT TO GERMANY WHERE HE WAS PROMOTING GERMAN PRIVATE INVESTMENT IN EGYPT. MURAD NOTED THAT INVESTMENT LAW NEEDS AMENDMENT AND THAT ENTIRELY NEW ECONOMIC STRUCTURE NEEDS TO BE PUT INTO PLACE, WITH PROMINENT ROLE FOR PRIVATE SECTOR, IN ORDER TO GET EGYPTIAN ECONOMY MOVING. MURAD SAID THAT PACKAGE OF LEGISLATION IS NECESSARY SO THAT ENTIRE STRUCTURE CAN BE CHANGED. HE SAID INVESTORS CANNOT BE EXPECTED TO WAIT SIX MONTHS TO A YEAR TO YEAR ABOUT THEIR PROPOSALS AND THEN BE TOLD THAT FURTHER NEGOTIATION IS NECESSARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 05510 01 OF 02 010539Z

2. IN CURRENT ATMOSPHERE CREATED BY SALEM CABINET, ECONOMIC ADVANCEMENT CANNOT TAKE PLACE AND GOVERNMENT IS DECEIVING PRESIDENT SADAT IF THEY SAY IT CAN. MURAD SAID THAT U.S. ASSISTANCE (HE WAS UNSURE OF AMOUNT) AND ARAB ASSISTANCE (1.5 BILLION) HAD SOLVED PROBLEM FOR 1977, BUT ASKED WHAT ABOUT NEXT YEAR? WHERE WILL EGYPT

GET CASH NECESSARY? HE REFERRED TO RIOTS OF JANUARY 18/19. AND SAID THAT THESE WERE GENUINE DISPLAYS OF ANGER OF PEOPLE AT IRRESPONSIBLE PRICE INCREASES ANNOUNCED BY DEPPRIMIN KAISOUNI. (ORGANIZERS LATER TOOK COMMAND.) KAISOUNI HAS EXPLAINED THAT MEASURES WERE NECESSARY BECAUSE OF IMF PRESSING ON EGYPT. IMF PROPOSALS WERE MADE BY TECHNICIANS, MURAD OBSERVED. IT IS THE RESPONSIBILITY OF THE CABINET TO DETERMINE POLITICAL IMPACT ON PEOPLE AND THIS WAS NOT DONE.

3. EGYPTIAN PEOPLE BACK SADAT, MURAD SAID, BUT CABINET IS WEAK AND INEFFICIENT AND MUST RESIGN. MURAD SAID HE HAD CALLED FOR SALEM'S RESIGNATION PREVIOUS DAY IN PARLIAMENT. HE NOTED THAT HOUSING AND TAXATION LAWS HAD NOT YET BEEN SUBMITTED TO THE ASSEMBLY EVEN THOUGH THESE ARE VERY IMPORTANT PIECES OF LEGISLATION. HE ALSO NOTED THAT MINISTER OF INDUSTRY HAD DISMISSED OVER FIFTY WELL QUALIFIED CIVIL SERVANTS RECENTLY AND HAD GIVEN NO REASON. THESE ARE EXAMPLES OF INEFFICIENT AND WEAK OPERATION OF SALEM GOVERNMENT.

4. MURAD SAID THAT SADAT IS THE RIGHT MAN TO RESTORE DEMOCRACY TO EGYPT. HE REMEMBERED THAT AT TIME OF REVOLUTION COUNTRY WANTED STRONG LEADER; BUT NASSER HAD NOT PROVIDED ADEQUATE LEADERSHIP. PEOPLE NEXT BELIEVED IN SOCIALISM, BUT SOCIALISM COULD NOT BE IMPLEMENTED IN EGYPT. NOW SADAT, SUPPORTED BY SPEAKER MAR'I, IS AGAIN URGING A RETURN TO DEMOCRACY. IN THIS CONNECTION MURAD MENTIONED SLANDER CAMPAIGN THAT WAS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CAIRO 05510 01 OF 02 010539Z

BEING CARRIED ON AGAINST SPEAKER MAR'I. MURAD SAID THAT MAR'I IS AN ASTUTE POLITICIAN WHO HAS SERVED SINCE REVOLUTION. IF MAR'I WERE TO LEAVE PARLIAMENT BECAUSE OF THESE SLANDERS, HE (MURAD) WOULD HAVE TO LEAVE ALSO BECAUSE THERE WOULD BE NO EFFECTIVE LEADERSHIP. MAR'I SHOULD, ACCORDING TO MURAD, BECOME PRIME MINISTER.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 CAIRO 05510 02 OF 02 010529Z  
ACTION NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07  
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15  
USIA-06 AID-05 COME-00 EB-08 FRB-03 TRSE-00  
XMB-02 OPIC-03 LAB-04 SIL-01 OMB-01 SSM-03 IGA-02  
IO-13 /101 W

-----010546Z 122207 /22

R 311436Z MAR 77

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 3451

LIMITED OFFICIAL USE SECTION 02 OF 02 CAIRO 5510

5. MURAD THEN SAID THAT EVERY EGYPTIAN HAS GREAT HOPES FOR PRESIDENT'S VISIT TO UNITED STATES. HE HOPED THAT SADAT WOULD BRING BACK SOMETHING GOOD. HE NOTED PRESIDENT CARTER'S RECENT STATEMENTS, SAID HE COULD NOT ACCEPT DEFENSIBLE BORDERS IDEA BECAUSE BECAUSE EGYPT COULD NOT GIVE ISRAEL ANY EGYPTIAN TERRITORY; ON OTHER HAND HE FOUND HOMELAND STATEMENT ENCOURAGING. MURAD SAID HE IS OPTIMISTIC THAT TALKS IN WASHINGTON WILL PRODUCE RESULTS. HE REMINDED AMBASSADOR THAT AMERICA'S INTERESTS IN MIDDLE EAST CAN ONLY BE PROTECTED BY EGYPT, WHICH IS BACKBONE OF ARAB WORLD. IN ORDER FOR EGYPT TO REMAIN STRONG, THERE MUST BE PEACE AND THE "STARVATION" OF EGYPTIAN PEOPLE MUST STOP. THE U.S. TAXPAYER HAS DONE ENOUGH TO ASSIST EGYPT; THE U.S. MUST PUSH OTHER ARABS NOW TO ASSIST EGYPT. IN THIS CONNECTION, MURAD SAID THAT EGYPTIAN PRIVATE SECTOR COULD ABSORB ABOUT ONE BILLION DOLLARS WORTH OF INVESTMENT AND PUBLIC SECTOR ONLY ABOUT TWO BILLION DOLLARS PER YEAR.

6. MURAD SAID THAT EGYPT, IN ITS PRESENT FORM, MUST BE STRONG IN ORDER TO KEEP REST OF AREA FREE OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 05510 02 OF 02 010529Z

COMMUNISM. HE SAID THAT IN GULF, FOR INSTANCE, LEFTISTS ARE ORGANIZING AND, WITHOUT SUPPORT OF STRONG FREE EGYPT, TRADITIONAL SHIEKS COULD BE SUBVERTED. IN EGYPT, SOVIETS WOULD, OF COURSE, LIKE TO REMOVE SADAT. DOOR IS OPEN TO U.S. TO COOPERATE WITH EGYPT. EGYPT, HOWEVER, IS IN VERY DIFFICULTY POSITION AT EDGE OF "STARVATION." ONLY PRIVATE SECTOR CAN REALLY HELP AND MURAD URGED AMBASSADOR TO EMPHASIZE HELP FOR PRIVATE SECTOR IN OUR AID LOANS. AMBASSADOR DESCRIBED PROVISION IN NEW CIP LOAN FOR 15 MILLION DOLLARS TO BE SET ASIDE FOR PRIVATE SECTOR. IN ADDITION, USG HAD DEPOSITED LE 30 MILLION IN THREE AMERICAN JOINT VENTURE BANKS FOR

USE BY PRIVATE SECTOR. UP TO THIS TIME, HOWEVER,

GOVERNMENT HAS NOT BEEN WILLING TO ALLOW THESE FUNDS  
TO BE USED BY PRIVATE SECTOR.

8. COMMENT: MURAD'S CALL ON AMBASSADOR WAS APPARENTLY  
HIS WAY OF EMPHASIZING TO USG IMPORTANCE WHICH ALL  
SEGMENTS OF EGYPTIAN POPULATION PLACE ON PRESIDENT  
SADAT'S VISIT AND THEIR HOPES OF FURTHER MOVEMENT IN  
PEACE PROCESS. MURAD IS GARRULOUS INTERLOCUTOR FOR  
POLITICAL RIGHT IN EGYPT AND FANCIES HIMSELF SPOKESMAN  
FOR MAJORITY OF EGYPTIANS WHO HE OBSERVES ARE REALLY  
FROM "RIGHT" IN TERMS OF POLITICAL PURSUASION. FACT  
THAT HE CAME TO CALL ON AMBASSADOR PERSONALLY UNDER-  
SCORES HIS BELIEF THAT STABILITY IN EGYPT AND REGION  
DEPEND ON FURTHER PROGRESS IN PEACE PROCESS AND THAT  
HOPES IN EGYPT AND REGION ARE RUNNING HIGH FOR SUCCESS  
OF MEETINGS IN WASHINGTON AND RECONVENING IN GENEVA THIS  
YEAR.

MATTHEWS

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OPPOSITION PARTIES, PARTY LEADERS, DIPLOMATIC DISCUSSIONS, POLITICAL SITUATION, CHIEF OF STATE VISITS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 31-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977CAIRO05510  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770111-0819  
**Format:** TEL  
**From:** CAIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977034/aaaaadbz.tel  
**Line Count:** 190  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 4ab7d4b4-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 21-Jan-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3049643  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PARLIAMENT ("OPPOSITION" LEADER ON SADAT VISIT TO U.S. INTERNAL POLITICAL SITUATION  
**TAGS:** PFOR, EG, (SADAT, ANWAR), (MURAD, MUSTAFA KAMEL)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/4ab7d4b4-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009